The plan could be applied to your revenues

UNITED STATES

FINANCES.

Nobody is a Prophet in his own Country.

by Miguel de Embil

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NOBODY IS A PROPHET IN HIS OWN COUNTRY.

My plan is to demonstrate how to come to specie payments by following the honorable rule of other nations: of France in the Prussian war; to the credit of legal tender instead of repudiating it, and exchanging it for another money at a discount, and that, too, in the administrations of the same government; how to save many millions in interest on the public debt, and abolish at least double the amount so economized in taxes, leaving only Custom Houses; how to oppose the increasing exterior debt by reducing or annulling the contrary balance of commerce, and thus promote the wealth of this country; how to protect national industry efficaciously by reducing the cost of the most important element; salary, with equal or greater saving for the laborer, and especially agriculture, which furnishes the products of the earth, and of metals.

All that can be realized quietly and naturally, by following the right principle in the examples of other nations; of Great Britain, which, in 1844, was in the same chaos in which the United States are now, and which, having less life, no railroads to build, etc., was saved through the persuasion of their League, through their apostles, Cobden, Smith, and others, and through their organ, the *Economist*.

I will propose to you nothing that is new, or that I have invented; but I was in England in 1844, and from then to 1855 I always studied the *Economist*, saw the reforms, and the contemporaneous immediate effects.

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To form the *basis* of the most important economical revolution, you want no particular legislation.

I.

Be pleased to take into consideration that the necessity of paying the interest on your public debt, in gold, forced you, during your abnormal circumstances (which have passed entirely), to exact the payment in gold of your Custom House duties. But as, during Grant's administration, the interest on the public debt has been reduced twenty-three millions, you could have reduced the proportion of gold required, receiving in *part payment* legal tenders, instead of selling the surplus at a premium, in exchange for your legal tenders, which is as dishonorable as if a banker was changing his bills of exchange for others at a loss in the difference. You have been giving an artificially higher value to the bonds you have bought and redeemed; the profit has been nothing, and the discredit of your legal tenders has been the only effect. Meanwhile, you have had the good example in the Franco-Prussian war, of the French nation admitting as good money into its own administrations the notes of the Bank of France at par; and in consequence gold never got to a higher premium than $1\frac{1}{2}$ per cent., which is extremely creditable, when we take into consideration that the United States are producers of gold, and France is not. If you have exported during the three months of this year $14\frac{1}{2}$ millions, it is only 58 millions a year. To reduce the gold required to pay the Custom House duties to only two thirds, or half, and complete the amount with legal tenders, and gradually to increase the proportion of legal tenders received would be the *best plan at once;* and then to prepay without rebate the interest due on the first of May, to reduce the demand for gold for the most important daily transactions. For the speculators the effect would be the same, whether gold moved from 4 to 7 or from 12 to 15 per cent. You could reduce, too, five per cent., the intrinsic value of your double eagles. The same if the par value of sovereigns in your Customs is $4 86, so it was to be in the exchanges.

But as you would want special legislation for that change, instead of buying bonds one day of the week, and on another selling gold, rather buy bonds and pay in gold at par, thus realizing the difference in the smaller cost of the bonds. This plan would be more honorable, and would save trouble.

But if you desire absolutely to continue both transactions in order to take legal tenders with one hand and return them the next day with the other, then the surplus of gold that you do not want for paying the interest of your debt should be sold at *par*, without any preference, even to the importers, who deserve some preference. Then if you must sell one million gold, divide the amount into twenty lots, of $50,000 each, and if instead of twenty bids you have forty, put all the names into a box, and the first twenty drawn out should have the privilege of the twenty lots.

The Secretary of the Treasury can alter the form of sales of gold without the aid of any special legislation. That this is to the credit of the Government, I have proved.

II.

I must now prove the other advantages that the country can derive.

You are taking great trouble in refunding part of yonr public debt with the object of reducing one per cent. of the interest. Why not aspire to refund a greater portion in another debt which would bear no interest, and thus save the total six per cent.? This can be done by legally abolishing a monopoly which, instead of benefiting the National Banks, gives them a smaller amount of deposits (of which they can use three quarters) than what they could receive.

My plan is this: As soon as the effect of reducing the proportion of gold required to pay Custom House duties, or of the changes in the form of returning to the market the surplus of gold, is obtained;—or better, *simultaneously*, you should call to payment twenty millions of the series of Five-twenty Bonds now held by the National Banks on deposit as a guarantee for their bank notes. You should propose to them in due time, not at once, either to take gold notes or legal tenders at the current prices, on the day of payment. Their patriotism and interest would lead them to take legal tenders. Then you should issue legal tenders to the amount *required*, and as you *can* issue fifty-four millions, you want no particular legislation. You could repeat the call; and if you could agree with the banks for the total of three hundred and thirty millions remaining, you would save twenty-one millions interest. The issue of two hundred and thirty millions legal tenders would *replace an equal* amount of bank notes which would be cancelled.

The monopoly if producing twenty-one millions to the banks now costs the people necessary taxes, not only for the equivalent, but also for the expense of collecting them. Probably forty-two millions are required in taxes to have a *net* of twenty-one; and thus by abolishing the monopoly forty-two millions taxes could be abolished. I should always propose to *abolish*, as reduction by keeping up the cost of collection, produces comparatively little effect.

In regard to the banks, I should respect their liberty about the form in which they would receive deposits; the form, the engravings, the color of the paper, and the nomination of their notes or bills, at the discretion of the depositors.

III.

It is understood that for issuing more than fifty-five millions of legal tenders, you require special legislation; and as the matter is worthy you can call a meeting of Congress, and have there the personal advice of the Secretary of the Treasury.

You could be authorized to issue as much in legal tenders as you require to buy five-twenties at the price of par gold.

Suppose that in the course of one year they would offer you as much as two hundred millions bonds, you could refund that much into a debt that would pay *no* interest, and you would save another twelve millions. But as the last year you have been able to pay for one hundred millions,

besides the interest, you would only require to issue 100 millions in legal tenders, 45 more than the 55 that you are authorized, and if the transition is in two years, *no* additional issue, or only a temporary one would be required. As the country has grown in wealth, in population, in business, and is increasing yearly, there is no fear of inflation; the tariff could check it, as I shall prove. The West and South want currency.

The saving of thirty-three millions interest will permit you to abolish sixty-six millions of taxes. Such a saving made by the community would return in increasing consumption, enterprise, etc., probably thirty millions, and in this expectation you could come to only the tax of Custom Houses, and be at ease about a public debt that costs no interest. If, notwithstanding the present actual burden of taxation, the country prospers, without it it will prosper still more. If you have had 100 millions surplus, abolish for so much, and you will only have one-half difference, if properly done.

You could in one year accomplish the refunding of 550 millions of your public debt into another, paying no interest, and requiring for that purpose an apparent amount of 100 millions increased circulation, but *really* only one-half, and nothing if the transaction should extend over two years.

IV.

I have said that any inflation can be checked by the tariff, and that brings me to a capital question. I desire to protect national industry *efficaciously;* instead of giving with the right hand an over price by putting forty-eight dollars duty on what can be bought abroad for (100) one hundred, and forcing the consumer to pay 148 instead of 100; and taking the same, or more, with the left hand from this so-called protected industry. By franchise instead of prohibitions, or almost prohibitions, I should protect the most sacred and innate of all liberties, that of buying where you can buy cheaper, and selling with the same reciprocal advantage the products of agriculture. As this wealth determines your capacity, I should protect agriculture, since in any way that taxes are combined it pays them eventually.

See your actual circumstances: In the last three years your imports, including gold, have exceeded your exports, including, too, gold and silver, sixty-eight millions in an annual average of 22¾ millions. Your exterior debt, represented by U. S. five-twenties and other bonds of States, cities, railroads, and other corporations, amount to three thousand millions (3,000,000,000), and you must pay every year two hundred millions (200,000,000), by sending more and more bonds, etc. Government and enterprises all refer to the *same family*, which is increasing the total exterior debt one thousand millions every *four* years. You export less and less amounts of certain manufactures as a proof that the *consequences* of the protective system neutralize in excess. Protected industry can compete less and less, and is yearly decreasing in exports. Deprived even of the liberty of buying vessels, you are paying thirty millions freight. Your immigrants bring twenty millions, and your rich absentee excursionists take as much, or more.

I agree with you that part of the increasing debt represents new enterprises, but it would be better to accomplish the same ends without increasing the exterior debt, by increasing the products of the earth and the exports, and by giving to national industry the great element to compete and export. This great element is salary. The rate of salary must correspond to the cost of living. This corresponds with the plan of the tariff and the amount of taxation. If the laborer gets $10, and requires $10 to live, he saves nothing; better to get $7 and need only $5, thus saving $2. National industry paying $7 in wages can compete, and paying $10 cannot. Both industry and laborers would be benefitted by the change, and the element for competing would be efficacious protection. The saving made by every one would be used by the same persons in greater consumption, or in enterprise, or in capitalization.

Now your exports are mostly Cotton, Petroleum, and Gold, etc., which are in great part products of the South. Only one quarter of your total exports is represented by Cheese, Hams, Breadstuffs, etc. etc. You could hope to increase your exports of produce and manufactures to meet the total of your imports as well as the interest of your exterior debt. You have different climates for varied products. You have been favored by nature with natural communications by rivers abundant as seas; you produce the raw materials of cotton, wool, leather, iron, steel, coal, etc., and can situate your manufactories in the *producing* centres. Europe must transfer cotton and pay freight and duties, and again when returning manufactures; and besides that, they must pay an import duty that might be of 15 per cent. on the invoice cost, ad valorem. You are geographically better situated, intermediate to the two worlds, and can you permit yourselves to hear that your chiefs of industry are less capable as men to sell at an equal or less value? Follow the example of Great Britain, for instance, and by the same system you would be able to go further. Now with your old Chinese system of tariff, you are prospering, notwithstanding what would ruin any other country.

Cuba, without so many advantages, has also prospered, notwithstanding its government, and has increased the amount of its exports more than you have done; Cuban exports on surplus represents 100 millions in proportion to 1,350,000 inhabitants, say 2,900 millions, if corresponding with your population of forty millions, producing as they are in fighting their liberties seven times more than what you do now. They are really heroic, as the producers in Cuba are forced to sell their sugar at ten reals on an arrobe, say five cents a pound there, instead of double that which your producers get, as they have to pay no import duty to lose nothing in exchanges and freights. All that difference in price for the producers is due to your retaliatory act of navigation of 1834. Europe has not been liberal with Cuba, giving to it population and capital, because Cuba inherited not your language nor education. It has only had a mother of sixteen millions inhabitants living on the pillage of the colony, either government, industrial, or individual.

In regard to you, instead of the five millions which the royal family of Great Britain costs, you pay 500 millions a year to your *royal* (?) families in the over prices of protected industry, putting twelve dollars average contribution on every inhabitant, and your government, instead

of giving you everything required as a necessary for living cheap, as does Great Britain, combines taxation so as to make everything dear, and national industry unable to compete. You have the most common things of absolute necessity at the price they cost when they were invented, equal to those charged in besieged towns, or in the deserts near the savages. Why? Study and compare your actual system.=No doubt that capital as an element for industry is cheaper in Europe, but for an enterprise that invests a hundred thousand dollars the difference is only five thousand dollars a year; at the same time the difference in wages, taxation and expenses, is many times more.

Do you not think that the cost of interest would be less by the changes I have proposed? Then the difference could be reduced or annulled.

If you abolish your laws that forbid a foreigner to own real estate; laws that I cannot conceive of in the present century, and in the land of liberty; the question of changing nationality, which is as dear to certain classes as religion and name, you could attract much capital. If in buying real estate the wife was not the owner of one-third, and you did not require her consent to realize your speculation, as you permit her to realize her property, there would be another inconvenience less, as the senior should be the senior.=But I have deviated from my principal object, that of protecting agriculture and industry more efficaciously by giving them at cheaper rate the most important element—viz., salary.

I have expected to enable you to have, as the only source of revenue, the Custom Houses; but respecting their object, that must be a purely fiscal one. Rather than to have a dictionary of classifications, and for even the greatest complication, I would reduce them to only twenty at most in round figures, freeing all raw materials required for agriculture, manufacture, and the industry of ship building especially, which employs so many men; and all things necessary to make the cost of living cheap, and consequently salaries.

I hear everywhere that you have a large debt, and that it is the cause of all your troubles. But, as the debt of Great Britain is greater, and more than double that of France, this is no reason at all.

The greater simplification in your tariff would reduce the cost of time: and therefore collecting less, but expending still less, you could net more, and the net is the real revenue. How many taxes could you abolish, which taking into account the cost of collecting and rent of public buildings, pay nothing, or almost nothing, net? The abolition of such taxes would mean no loss for the Treasury.

What is indubitable is, that if on an average every inhabitant can only pay ten dollars taxes, the total will not be more if you combine ten different taxes instead of one, and the cost of collecting would be less in proportion. Custom Houses could be the only.

I have said enough to demonstrate that I am not an *absolute* free trader, since I propose Custom Houses as the only source of revenue in the actual condition of the country. Later, perhaps, if you agree that

agriculture is the real source of wealth, and can contribute more economically, directly than indirectly, you could come to a better plan, that of having a simple tax, according to the circumstance of every State, to be levied on the most important article, and with such a simplification, the National Banks could make the collection.

I will allow myself a last observation. What would you do if Europe in one year, instead of being paid the 200 millions of yearly interest, with other bonds and mortgages, should ask of you the payment in produce, and principally in gold? How could you operate your Custom Houses, which receive only gold?

=The only resource would be to accept legal tenders, or issue gold notes. Better then, to be prepared for an emergency that is not probable, but that is possible. You would be prepared for the worst, if you should adopt the plan proposed.

VI.

I have made an allusion to Cuba, where I have lived almost all my life. All horrors of blood and butchery of children, ladies, and old men, are giving to your neighborhood the most repugnant of all spectacles. Cubans are your brothers, as the nearest neighbors, and when you have visited Cuba you have had the best bed of the house offered to you, the best carriage to drive in.

But I did not intend to invoke your humanity, or duty, or generosity; I am treating here only of your interest. This interest is to intervene morally, or at least, put in peace, the two contending parties, to stop the destruction of wealth. Cubans produce what you want as necessaries, sugar and molasses are *raw* materials for your industry of refining. In these circumstances you can prepare or realize a treaty of commerce by which Custom Houses would be abolished in Cuba; in reciprocity you would abolish duty on the imports of their sugars, molasses, and leaf tobacco. You would realize the *most* important advantage of the political annexation by the economical annexation, and the markets of Cuba would be open to you as freely as any another State. Naturally, the coastwise commerce of Cuba would be limited to the producers of their soil; for you would be *undetermined* and absolute the same for Great Britain and other people, *including* Spain.

I have given you the means of making great economies that would permit you the abolition of taxes; but suppose that the rings, in their principle of "Apres moi le deluge," would oppose the general plan, you could abolish the duties on sugar, etc., and reéstablish them on tea and coffee, that are *no raw* materials for your industry, and, I think that the importers of tea and coffee would be glad of it.

You must encourage the change of labor in free labor in the way proposed above. Then the economy to be made by the Cuban planters, and every Cuban, in the cost of living, of salary, and of producing, at the same time that the better price for sugars, would permit to keep the actual production, and increase it gradually as your increasing population would demand.

Naturally, too, the abolishing duties on sugar would be *without* distinction of proceeding, if you please respect the rights of most favored nations.

I have no object in what I have written, either pecuniary or other kind, except to submit my lucubration to your capacities. Then, please excuse any allusion that could be interpreted in any other sense than the best intentions. As an exile from Cuba, having attracted the hate of those living as improductive against the community, I desire to live in peace with every one.

M. DE EMBIL.

New York, April 7th, 1873.

P. S. Sugar is the only necessary that pays import duty in England. As they *do not* fear competition in agriculture or in manufactures, all the others are free of duty. In 1870 they reduced the duty one-half, and now they take off another half, leaving only one-fourth of what was the duty in 1870. The Chancellor, Lowe, said that the reduction was intended to help producers that were to change their slave labor into free labor. Cubans, as sons of Spain, have given example to the mother country how to produce and sell at a less price than their competitors. Are you in the opposite case, as grandsons of Great Britain? If you wanted half a century to abolish slavery at their example, being meantime a sarcasm on a Republic *with* slavery, and thirty years have passed already since they agreed on the advantages of free trade, will you want, to complete too, half a century to follow their example?

New York, April 11, 1873.

New York, May 2nd, 1873.

As I have some reason to know that the plan of abolishing all taxes, except those levied through the Custom Houses, is accepted in principle, I must add some indications.

VII.

On page 4 I have said that
$100,000,000 surplus would permit the abolition in taxes of $130,000,000
$33,000,000 saved in interest permits the abolition in taxes of $66,000,000
and as on the duties remaining you could get an increase of $24,000,000

$220,000,000

thus permitting the abolition of two hundred and twenty million dollars of taxes, and retaining only Custom House duties.

As the total Internal Revenues only give a *gross* amount of one hundred and thirty-one and three-quarter millions, including sixteen millions for stamps, (in 1872), the abolition of *all* Internal Revenue taxes, except a *Postage Stamp* of two cents for each letter of one ounce to any part of the country, would only be a reduction of one hundred and twenty-five millions of receipts, and, if we take into consideration what the hundred and twenty-five million leave *net*, it would frighten no one should all Internal Revenue taxes be abolished at once. After deducting this $125,000,000 we still have $95,000,000 of the $220,000,000, and for this sum we could do away with the duties in the tariff on sugar, tobacco, iron, wool, &c.

Wool pays a duty as raw material, and also as a manufacture, and in buying the raw material at a high price, and in selling it at one equally high, the only result to the manufacturer is that he realizes less from his sales and employs more capital.

In their abolition you would have a deficiency; but in the other left as paying duty you would have an increased consumption and twenty-four million dollars more of revenue.

Any one will agree that in return for so much good done for them the community would make up a part of the two hundred and twenty millions saved them in taxes, by increasing the consumption of the various commodities, by enterprise, and by capitalization. This return would determine the subsequent surplus, and the subsequent abolitions, annually greater in the *gross* amount.

VIII.

This natural surplus as a consequence of prosperity, could later be applied also to the gradual reduction of the public debt, paying interest, and also of that in currency, when gold will again come into circulation and when you shall have changed your regulation of the sales of stocks requiring only the payment of differences or margins, instead of the daily delivery and payment of full value.

The two systems of taxation, direct and indirect, contradict each other. If you leave only the Custom Houses, you have also the Post

Offices, property of the States, the sale of public lands and other sources of revenue.

IX.

For the settlement with the banks, in cancelling the three hundred and fifty millions of Five-Twenties which now cost twenty-one millions in interest, you could prepare the way by giving them fifty millions in currency, taking the bank notes, and the five-twenties will be cancelled at the same time. Meanwhile, as the bank notes are guaranteed by the five-twenties deposited, there is no risk. In such a condition of things, you could call in, for payment, the series of five-twenties held by the banks, and as they would not like to be called at the last, when gold had a small premium, you could buy from every bank for the amount of bank notes changed.

As soon as authorized to issue more currency, you would extend the amount of exchanges, and, as before said, would buy as much as offered in the open market, paying in currency, and issuing the required amount.

If, instead of a fixed time of thirty years for your bonds, you should offer a consolidated perpetual debt, you could refund five hundred millions at four per cent. interest, instead of six, saving ten millions a year which would *not* prevent you from purchasing in open market, and cancelling as at present done.

X.

The effect of the proposed abolition of taxes is to be further indicated. Spirits and fermented liquors, when free from Internal Revenue taxes would favor the farmers producing the raw materials used in the manufacture, and at the lower rates of labor, the reduced cost would permit competition and export. It would be the same with refined sugars. You could import, if you wished, the entire sugar crop of Cuba, and reëxport it in refined grades. You could also import the entire tobacco crop of Cuba, and, abolishing Internal Revenue taxes on tobacco, the domestic produce would gain in price, and, at the same time, cigars could be exported. For foreign cigars it would be better to resume the import duty than to have the cost of collecting the two taxes tobacco now pays.

Gas is a necessary article, and could be more generally used in cooking, &c., than at present. You could negotiate a reduction in price and favor the producer of coal, the gas companies, and the consumers.

You require the assistance of the banks to accomplish reform. The tax of four and a half millions would also be abolished.

Stamps for matches, &c., are ridiculous: there should be none except for postage, and they should be sold at a uniform rate of two cents per *ounce* weight for letters to any part of the country.

XI.

The difficulties now existing between the farmers and the railways of the West would settle themselves. Since iron, as a raw material would be cheaper to the manufacturers, and as rails, steel, labor, &c., would be

cheaper, new lines could be built, and those in existence could reduce the expense of repairing, of extension, and of service, and at a lower tariff, could pay equal or better dividends.

The industry of ship-building when all duties on raw materials are abolished, could cheapen the cost of labor favoring lumber, &c., and the export of vessels could be extended. In the same way with spirits, manufacture, refined sugars, and cigars, increasing products of agriculture would permit you, before long, to meet the amounts of your exports and exterior debt.

XII.

The British Consols at 3 per cent. interest have an equal value with your Five-Twenty Bonds which pay double the interest. Your credit is only half. Why? Because the investors in your Five-Twenties are afraid of being called upon to receive their par value, and there is no object for them to purchase in the hope of securing a permanent income for their sons and grandsons.

Even in this country, owners of real estate and others would agree to exchange bonds bearing 6 per cent. interest for others bearing 4 per cent., since, in saving $1,000 in taxation on $50,000, their property would yield $1,000 more *net* revenue, and would, on the basis of 10 per cent. interest be worth $10,000 more. No patriotism, merely common sense is required.

The saving every one would make in taxes, in the over price of $4 each now paid for hats, etc., etc., would alone allow them to pay better rents for houses. At less rates of salary, bricks, etc., would be cheaper, lots of land would be more saleable, and the old parts of the city could be transformed as was done with Paris.

XIII.

There is an error in the theory of government which has reached its highest abuse in this country, namely, that of thinking that the greater the army of public officers or politicians, who cost money and time to the community, the greater is the support to the administration. As every public office has at least five aspirants for the position, four of them must be disappointed and become perpetual opponents to the administration, since they hope eventually to receive a place if they make themselves feared. The more you leave to private enterprise the better it is for the administration, the less calumnies be invented and the less opposition there is to the good. Your grandfathers were wiser, for with them a change of ministry produced only a change of private secretaries.

You require a criminal code modeled on that of the First Napoleon of France, applicable to all the States of the Union; then the solution of every case would be simple and justice could be obtained instead of doubts, looking for analogies.

During the Prussian war sixty-two thousand Americans were residing in Paris, spending their revenues and energy. They stated that they there enjoyed greater religious freedom than here, and that according one hour to church, they had fifty-two days more in the year

for promenades, concerts, theatres, balls, learning in the museums of pictures, sculptures, architecture, etc. In these fifty-two days those that during the week were confined by their duties, have a moment of expansion for singing, dancing and mixing with refined people.

You can abolish two hundred and twenty millions of taxes, reduce your cost of consumption five hundred millions and use this capital at an interest of thirty-five millions a year and you can avoid the increasing exterior debt at the rate of one thousand millions every four years. Instead of all the important calamities of the war amidst peace, you can enjoy the advantages of peace. For this you only want union under the flag of free trade, organize your league and its organ, which could be called the *Economist*, demonstrating clearly what efficacious protection to national industry means and what spoliation and pillage means. Do not longer allow those, who declare themseves stupid and unable to accomplish the same things as other people under equal circumstances of taxation, to remain your masters, and keep you as their slaves deprived of the most sacred right, that of buying where you can buy cheapest.

The abolition of negro slavery, giving to the blacks immediate political privileges even when they can neither read nor write, cannot be accepted as producing the enslavement of their emancipators.

Cuba could give you another still plainer system of taxation. As besides post-offices lottery, property of the State, they do not get seven millions net from all the other taxes of customs, etc., then the only tax of two dollars a box of sugar produced would give them seven millions that they could collect by the Banks in the only 1,100 receipts required. I have advised you to make a treaty of commerce with Cuba which would give the most important advantages of the political annexation in the economical annexation by the abolition of Custom Houses in Cuba.

As I have said above that the internal revenues only amount to $131\frac{3}{4}$ millions, gross, they were in 1872, $49\frac{1}{2}$ for spirits, $33\frac{3}{4}$ fermented liquors, $8\frac{1}{4}$ tobacco, $4\frac{5}{8}$ Banks and Bankers, $2\frac{7}{8}$ gas, $16\frac{1}{8}$ stamps, $2\frac{1}{8}$ other sources and penalties.

If you desire to know the negative effect of the actual system, know that in 1872 you could only export 870 yards of carpets for Mexico, Cuba, Sandwich Islands. In the articles of books, candles, clothing, copper and brass, manufactured cotton, iron and woollen, boots, shoes, household furniture gunpowder, paints and varnish, printing presses, type, instead of $25\frac{3}{4}$ millions dollars in 1860, you have only exported $10\frac{3}{8}$. The petroleum, breadstuffs, gold and silver, provisions, leaf tobacco and lumber, precisely what is not protected, on the contrary, have provided an excess of 176 millions. (See the *World* of April 28).

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